

4. Combining Unbundled Network Elements.

Bell Atlantic provides competing carriers with both pre-assembled combinations of network elements and with access to unbundled elements that allows competing carriers to assemble the elements themselves. See id. ¶ 115.

First, Bell Atlantic provides several pre-assembled combinations of network elements. See id. ¶ 121. For example, as addressed above, Bell Atlantic has provided competing carriers with more than 152,000 complete preassembled platforms of network elements. See id. ¶ 123. Bell Atlantic also provides a “switch sub-platform” — local switching elements in combination with other shared network elements, such as shared transport, shared tandem switching, operator services, directory assistance, and SS7 signaling. See id. ¶ 124. Moreover, Bell Atlantic provides Enhanced Extended Loops (EELs), a combination of loops and transport, in accordance with the New York PSC’s requirements. See id. ¶¶ 125-127; see also Case 98-C-0690, PSC, Order Regarding the Multiplexing Component of the Expanded Extended Link, Aug. 10, 1999 (App. D, Tab 202) (“PSC EEL Order”).

Bell Atlantic provides combinations of unbundled elements on a timely basis. In June, July, and August, Bell Atlantic provided 99 percent of platform orders on time. See Lacouture/Troy Decl. ¶ 68. Bell Atlantic has consistently missed fewer appointments for CLECs’ platform orders than for Bell Atlantic’s own retail customers. See id.; Dowell/Canny ¶ 68. And KPMG has confirmed that Bell Atlantic can handle at least 570,130 orders annually. See Lacouture/Troy Decl. ¶ 123; KPMG Report App. C.

entitled to reciprocal compensation for such calls (because they do not incur any cost for transporting and terminating local traffic). See Lacouture/Troy Decl. ¶ 104.

The New York PSC previously approved common-sense limitations on the availability of the platform for certain highly competitive areas and services (although those limitations are not yet in effect).²⁸ Likewise, the PSC wisely approved certain limitations on the availability of Bell Atlantic's EEL offering that are designed merely to prevent it from being used as a substitute for highly competitive special access services.²⁹ Bell Atlantic and the New York PSC believe these limitations are consistent with section 251(d)(2) of the Act as well as the Supreme Court's ruling in AT&T Corp. v. Iowa Utilities Board, 119 S. Ct. 721 (1999). Nonetheless, if this Commission's recently announced (but not yet released or effective) order on remand from the Supreme Court requires modifications to the previously approved terms for Bell Atlantic's platform and EEL offerings, Bell Atlantic will comply with the Commission's rules when they become effective absent further relief.³⁰

Second, while the issue essentially is an academic one in New York where Bell Atlantic already provides pre-assembled combinations of network elements, Bell Atlantic also provides

²⁸The only services for which competing carriers may not obtain a full platform are those that already have numerous alternative providers: business services in New York City wire centers in which there are two or more competing carriers already collocated and tariffed to provide local service, see Pre-Filing Statement of Bell Atlantic New York at 9, Case 97-C-0271 (PSC filed Apr. 6, 1998) ("Pre-Filing Statement") (App. C, Tab 403), and highly competitive services such as Centrex, PBX, and high-speed services including DS1 and ISDN PRI, see id.; see also Case 98-C-0690, PSC, Opinion and Order Concerning Methods for Network Element Recombination, at 38, Nov. 23, 1998 (App. D, Tab 121) ("PSC Platform Order") ("The two-collocation office exception . . . recognizes that for those customers, in those areas, there is already a significant measure of competitive access and competitor investment."); id. ("the exclusion of Centrex service from the platform offering reflects that this service is already available on a competitive basis"); Case 98-C-0690, PSC, Order Suspending Tariffing Arrangements and Directing Revisions, Jan. 11, 1999, at 10 (App. D, Tab 129) ("access to the UNE platform is not a competitive necessity in these circumstances").

²⁹See PSC EEL Order at 7-8.

³⁰Of course, if this Commission's new rules permit greater limitations on the availability of platforms or EELs than those previously approved by the New York PSC, Bell Atlantic will comply with the terms of the PSC's orders as long as they remain in effect.

competing carriers with access in a way that permits them to combine network elements themselves. In addition to standard physical and virtual collocation arrangements, Bell Atlantic provides a variety of alternative collocation arrangements, including smaller physical collocation cages, shared collocation cages, and cageless collocation arrangements. See Lacouture/Troy Decl. ¶ 118. Bell Atlantic also offers Assembly Rooms and Assembly Points — which unlike traditional collocation can economically serve very small line sizes, take very little time to implement, and do not require conditioned space — and has provided 11 such arrangements. See id. ¶¶ 119, 120. There are no additional pending requests for Assembly Rooms or Assembly Points. See id. ¶ 120. As is true of collocation generally, see supra, pp. 14-15, Bell Atlantic provides these alternative arrangements in a timely manner.

C. Poles, Ducts, Conduits, and Rights-of-Way (Checklist Item 3).

Through July 1999, Bell Atlantic has provided 818,000 pole attachments and 3.9 million feet of conduit to 24 competing carriers and 139 cable companies in New York. See id. ¶¶ 128, 131. In most of the State, Bell Atlantic itself provides access to poles, ducts, conduits, and rights-of-way. In parts of New York City (Manhattan and the Bronx), its Empire City Subway subsidiary provides ducts and conduits. See id. ¶ 129. Empire City Subway operates independently under a franchise from the City of New York. See id. Empire City Subway has furnished 21 carriers with access to conduits and ducts. See id. ¶ 131.

Bell Atlantic provides access to poles, ducts, and conduits – and Empire City Subway provides access to ducts and conduits – on a timely basis. See id. ¶ 135. More than 75 percent of the time, Bell Atlantic can satisfy a competing carrier's request for pole or conduit space with spare capacity in Bell Atlantic's network, in which case Bell Atlantic will provide the competing carrier with access immediately upon determining that space is available. See id. ¶ 132. In other cases, make-ready work or new construction may be needed, in which case Bell Atlantic will

perform the work or allow the CLEC to perform the work itself. See id. ¶ 133. So far this year, Bell Atlantic performed within the standard intervals specified in its standard licensing agreements on all make-ready approvals. See id. ¶ 135. As a result of meeting these intervals, Bell Atlantic consistently completes make-ready and construction work for competing carriers considerably more quickly than it does for itself. See id. ¶ 141.

Both Bell Atlantic and Empire City Subway also have the personnel to meet future demand for access to poles, ducts, conduits, and rights-of-way. See id. ¶¶ 136-139. Bell Atlantic has steadily increased its construction workforce since 1997 and now has the capacity to perform 180,000 pole attachments per year. See id. ¶ 137. Even when Bell Atlantic must perform make-ready work, this work accounts for less than 2 percent of Bell Atlantic's total construction work hours. See id. ¶ 136. Empire City Subway has likewise expanded its construction force and facilities (by some 40 percent) to meet increased demand. See id. ¶ 139.

D. 911, E911, Directory Assistance, and Operator Call-Completion Services (Checklist Item 7).

911 and E911. Bell Atlantic provides competing carriers with non-discriminatory access to 911 and E911 services and databases under tariffs and approved interconnection agreements. See id. ¶ 159. Through July 1999, CLECs with their own switches have more than 651,000 E911 subscriber listings in New York. See id. ¶ 165.

Those CLECs that have their own switches are responsible for their own entries into the E911 database. See id. Bell Atlantic offers these carriers, 29 of them at present, an electronic interface that gives them the same ability as Bell Atlantic to input information. See id. For those CLECs without their own switches, Bell Atlantic will load the entries. See id. ¶ 168. Bell Atlantic enters all necessary E911 data for competitors' customers in exactly the same way it enters its own customer data, and it has taken extensive steps to ensure that errors are minimized

when information (whether for its own customers or those of a competitor) is placed in the E911 database. See id. ¶¶ 168-169.

In addition, Bell Atlantic has provided 822 911/E911 trunks to 26 competing carriers in order to connect to Bell Atlantic's 911/E911 tandems. See id. ¶ 163. Bell Atlantic provides competing carriers with E911 trunks on a timely basis. Bell Atlantic provides these trunks within the standard intervals for interconnection trunks generally (see supra, p.12), and, during the first eight months of 1999, Bell Atlantic's average installation interval for CLEC trunks was less than for its own retail trunks. See Lacouture/Troy Decl. ¶ 163.

Directory Assistance. Competing carriers have the option of purchasing Directory Assistance services directly from Bell Atlantic, or they can rely on their own directory assistance centers and use Bell Atlantic's or a third party's directory assistance database. See id. ¶ 172.

Through July 1999, 16 carriers were purchasing Directory Assistance services from Bell Atlantic using more than 337 dedicated trunk facilities, and another eight competing carriers were purchasing Directory Assistance service using shared transport. See id. ¶ 175. Bell Atlantic provides trunks to competing carriers for Directory Assistance in the same manner it provides interconnection trunks generally, and its average installation interval for CLEC trunks is less than for its own Feature Group D trunks. See id. In addition, when CLECs purchase Bell Atlantic's Directory Assistance services, they may order such services "unbranded," "rebranded," or with a Bell Atlantic brand, see id. ¶ 180, and calls placed by competing carriers' customers are answered roughly as quickly as calls placed by Bell Atlantic's own customers, see id. ¶ 182.

When competing carriers provide their own directory assistance services, they can interconnect their own directory-assistance facilities to Bell Atlantic's switches using customized

routing. See id. ¶ 178. Bell Atlantic also provides directory listings to competing carriers, and gives them the option of purchasing listings by the drink or by the bottle: they can purchase the entire contents of Bell Atlantic's Directory Assistance database or access the database to obtain individual listings in the same way as Bell Atlantic's own operators. See id. ¶¶ 176-177.

Operator Services. Competing carriers similarly have the option either to purchase operator services from Bell Atlantic, or to rely on their own operator service centers. See id. ¶ 184. Through July 1999, 11 competing carriers were purchasing operator services from Bell Atlantic using more than 115 dedicated transport facilities, and eight additional carriers were purchasing operator services using shared transport. See id. ¶ 188. CLECs that purchase Bell Atlantic's services also have the option to obtain unbranded, rebranded, or Bell Atlantic branded operator services, see id. ¶ 185, and calls from CLEC customers are answered as quickly as calls from Bell Atlantic's own customers, see id. ¶ 192.

When competing carriers provide their own operator services, they can interconnect their operator-services facilities to Bell Atlantic's switches using customized routing. See id. ¶ 187. As is the case with Directory Assistance, Bell Atlantic provides trunks to competing carriers for operator services in the same time and manner it provides interconnection trunks generally, and its average installation interval for CLEC trunks is less than for its own Feature Group D trunks. See id. ¶ 188.

E. White Pages Directory Listings (Checklist Item 8).

Competing carriers in New York use Bell Atlantic's white pages directory extensively: Through July 1999, Bell Atlantic directories included more than 340,000 basic white pages directory listings for competing carriers in New York. See id. ¶ 203.³¹

Bell Atlantic prints competitors' listings intermingled alphabetically with Bell Atlantic's own listings, in the same typeface and format, and with no distinguishing features. See id. ¶ 195. Competing carriers are given the same cut-off dates for submitting entries as Bell Atlantic's own retail operations. See id. ¶ 200. Their listings are entered using the same processes — and same error detection and correction procedures — as those used for Bell Atlantic's own listings. See id. ¶¶ 196-198. Bell Atlantic also gives CLECs the opportunity to preview their customer listing to ensure the listings are entered correctly. See id. ¶ 205. And Bell Atlantic delivers directories to CLECs' customers in the same manner and at the same time as it delivers directories to its own retail customers. See id. ¶ 202.

Finally, Bell Atlantic ensures that listings are not inadvertently dropped when a customer switches from Bell Atlantic to a competing carrier. See id. ¶ 208. The issue arises only where a customer switches to a competing carrier that has its own switch and uses the customer's existing loop. See id. ¶¶ 208-210. In that case, Bell Atlantic must disconnect the customer's retail service; this will automatically create a listing service order to delete the customer's directory listing from Bell Atlantic's white pages directory. See id. ¶ 209. However, the listing is re-established by the competing carrier's loop and number portability order. See id.

³¹White pages listings understate the actual number of lines served: a single listing can and frequently does represent multiple lines. See Taylor Decl. Att. A at Exh. 1; Lacouture/Troy Decl. ¶ 203.

KPMG initially noted an exception on this subject, observing that existing directory listings occasionally were dropped when a Bell Atlantic customer transferred to a competing carrier. Bell Atlantic successfully adjusted its process, however, and upon retesting, KPMG found nearly error free performance and concluded that its exception had been resolved. See KPMG Exception Closure Report for Exception 56 (July 22, 1999) (App. C, Tab 535); see also Lacouture/Troy Decl. ¶ 210.

F. Number Administration (Checklist Item 9).

As of July 1999, 1,068 NXX codes, representing more than 10 million telephone numbers, were assigned to CLECs in New York. See Lacouture/Troy Decl. ¶ 212. Bell Atlantic is no longer responsible for assigning telephone numbers, either to itself or to competing carriers: Lockheed Martin Information Management Services has assumed responsibility as the North American Numbering Plan Administrator. See id. ¶ 211.

After an NXX code has been assigned, all carriers must program their switches so that they can route calls appropriately. See id. ¶ 213. To ensure accurate and complete programming of NXX codes in its switches, Bell Atlantic uses a mechanized testing process — the Verification Evaluation and Testing System (“VETS”) — which during August 1999 Bell Atlantic provided to competing carriers for testing on 32 NXX Codes. See id. ¶¶ 214, 217. Bell Atlantic performed these tests on a timely basis, generally within five business days. See id. ¶ 217.

G. Databases and Associated Signaling (Checklist Item 10).

Signaling. Bell Atlantic provides competing carriers with access to its SS7 signaling network (and through it to databases connected to that network). See id. ¶ 219. CLECs with their own switches obtain access by interconnecting with Bell Atlantic’s signaling network at Signaling Transfer Points. See id. ¶ 219. Through August 1999, Bell Atlantic has provided 34 CLECs with access to its signaling network, either directly or through hub providers. See id.

¶ 222. Bell Atlantic also provides the same interconnection arrangements to long distance companies, independent telephone companies, and wireless carriers. See id. In addition, all carriers that purchase unbundled switching and unbundled element platforms get access to signaling automatically. See id. ¶ 223.³²

In all cases, Bell Atlantic provides access to its signaling network on a non-discriminatory basis. See id. ¶¶ 224-225. Bell Atlantic uses the same facilities, equipment, and personnel to provision signaling links for CLECs and itself. See id. ¶ 224. And all signaling traffic on Bell Atlantic's network is commingled and is queued and routed on a non-discriminatory basis. See id. ¶ 225.

Databases. Bell Atlantic also provides competing carriers with access to all call-related databases. This includes access to Bell Atlantic's toll free database (to determine how a particular toll-free call should be routed and completed), Line Information Database (to obtain special billing and call-restriction information associated with individual telephone numbers), Calling Name Database (to provide the calling party's name when a customer receives a call), and Local Number Portability Database (to determine how to route calls to telephone numbers that have been "ported" to another carrier). See id. ¶¶ 226, 229, 234, 238.

Again, in all cases, Bell Atlantic provides access to these databases on a non-discriminatory basis. Information for CLEC customers is added to the databases in the same manner as for Bell Atlantic's own customers. See id. ¶¶ 233, 237. And CLEC queries to the

³²A competing carrier that interconnects with Bell Atlantic's signaling network may exchange call-routing and call-completion messages between two of the competitor's own switches, between one of the competitor's switches and a Bell Atlantic switch, and between the competitor's switch and the switch of any other carrier whose network is interconnected with Bell Atlantic's. See Lacouture/Troy Decl. ¶ 219.

databases are commingled with Bell Atlantic's own queries and processed on a first-come, first-served basis. See id. ¶¶ 228, 231, 236, 240.

AIN Service Creation and Service Management System. Bell Atlantic also provides competing carriers with access to its Service Management System Database ("SMS"), which enables competitors to enter, modify, or delete entries for their own customers in Bell Atlantic's other databases. See id. ¶ 241. Competing carriers have access to the same features and functions of the SMS as Bell Atlantic, and Bell Atlantic processes competing carriers' queries and transactions made through the SMS the same way Bell Atlantic processes its own. See id. ¶¶ 241, 244

In addition, Bell Atlantic provides access to its AIN/SMS/Service Creation Environment for competing carriers to develop their own Advanced Intelligent Network ("AIN")-based telecommunications services. See id. ¶ 245. Bell Atlantic provides access to the identical Service Creation Environment equipment and processes (including testing) that Bell Atlantic uses to create its own AIN-based services, and it processes CLEC queries and transactions for AIN-based services in the same manner that it processes its own. See id. ¶ 247.

H. Number Portability (Checklist Item 11).

Bell Atlantic has implemented long-term number portability ("LNP") in all of its end offices in New York, and provides LNP to CLECs under its previously approved federal tariffs. See id. ¶¶ 248-249. Through July 1999, Bell Atlantic provided 23 CLECs with LNP on 137,000 telephone numbers. See id. ¶ 253. From April through August, it met the due date on 98 percent of the orders for pure LNP. See id.

In addition, Bell Atlantic continues to maintain interim number portability ("INP") capabilities for CLECs using INP until they can migrate to LNP. See id. ¶ 254. Through July

1999, Bell Atlantic has provided 15 CLECs with INP on 44,000 telephone numbers. See id. ¶ 255.

I. Local Dialing Parity (Checklist Item 12).

Bell Atlantic provides local dialing parity throughout its service area in New York. See id. ¶ 257. As a result, CLECs' customers can dial local calls without dialing extra digits or access codes. See id. ¶ 259. Once these calls reach Bell Atlantic's network, they are treated the same as any call that originates on Bell Atlantic's network. See id. Accordingly, no differences exist in dialing delays, call completion, or transmission quality between calls made by CLECs' customers and calls made by Bell Atlantic's customers. See id. In addition, while intraLATA toll dialing parity is not a checklist item, Bell Atlantic also has implemented intraLATA toll dialing parity in New York. See id. ¶ 261.

J. Reciprocal Compensation (Checklist Item 13).

Bell Atlantic is providing reciprocal compensation to competing carriers for the termination of local calls from Bell Atlantic customers. See id. ¶ 262.³³ During the first seven months of 1999, Bell Atlantic exchanged an average of 2.5 billion minutes of traffic each month with 27 local wireline carriers in New York. See id. ¶ 263. During this same period, Bell Atlantic paid competing carriers \$98.4 million, while collecting only \$7.5 million in reciprocal-compensation payments. See id.

³³This Commission previously ruled that "ISP-bound traffic is non-local interstate traffic" and that "the reciprocal compensation requirements of section 251(b)(5) . . . do not govern inter-carrier compensation for this traffic." Implementation of the Local Competition Provisions in the Telecommunications Act of 1996; Inter-Carrier Compensation for ISP-Bound Traffic, Declaratory Ruling and Notice of Proposed Rulemaking, 14 FCC Rcd 3689, ¶ 26 n.87 (1999). The New York PSC subsequently addressed this issue, and Bell Atlantic is paying reciprocal compensation consistent with the New York PSC's order. See Lacouture/Troy Decl. ¶ 264; Case 99-C-0529, Opinion No. 99-10, PSC, Proceeding on Motion of the Commission to Reexamine Reciprocal Compensation, Aug. 26, 1999 (App. I, Tab 18).

K. Resale (Checklist Item 14).

Bell Atlantic makes available for resale at wholesale rates all of the telecommunications services it offers at retail to subscribers that are not telecommunications carriers. See id. ¶ 265.³⁴ Through July 1999, Bell Atlantic has provided 314,000 resold lines to more than 65 competing carriers. See id. ¶ 267. This includes more than 250,000 business lines and more than 63,000 residential lines. See Taylor Decl. Att. A ¶ 42.

Even as resale demand has grown, Bell Atlantic consistently has delivered resale services on time. See Lacouture/Troy Decl. ¶ 277. For example, from May through July, Bell Atlantic's performance results for resale orders, such as the trouble report rate, missed repair appointments and repeat trouble reports, were comparable to the performance results for Bell Atlantic's retail orders. See id. ¶ 275. In addition, KPMG verified Bell Atlantic's ability to provide resold lines in volumes that far exceed the levels it is providing today. See id. ¶ 267; KPMG Report POP6 IV138-49 & App. C.

Of course, as is the case with unbundled network elements, this does not mean (nor should it) that the reported intervals for completing CLEC and Bell Atlantic orders are the same. On the contrary, because CLECs frequently request delivery on dates that are later than the intervals that are available to them, the reported intervals necessarily will differ. See Lacouture/Troy Decl. ¶ 278. But the fact that Bell Atlantic is meeting its installation dates shows that Bell Atlantic is giving CLECs what they ask for. See id. ¶ 279. Moreover, as with

³⁴Bell Atlantic provides its services at wholesale discounts set by the PSC: 19.1 percent for lines with Bell Atlantic's Operator Services and Directory Assistance, and 21.7 percent for lines without these features. See Lacouture/Troy Decl. ¶ 265; Case 95-C-0657, Opinion No. 96-30, PSC, Opinion and Order Establishing Wholesale Discount Rate, Nov. 27, 1996 (App. G, Tab 7). These discounts apply equally to customer-specific arrangements, grandfathered services, and promotional offerings in effect more than 90 days. See Lacouture/Troy Decl. ¶ 268.

unbundled elements, Dr. Gertner's statistical analysis of June, July, and August orders confirms that Bell Atlantic is providing resale services within the intervals that CLECs request; that CLECs do request longer intervals than those that are available to them; and that when CLECs request the normal provisioning interval, they get it. See id.; Gertner/Bamberger Decl. ¶ 14.

Finally, unlike prior applications, there is no issue here with respect to customer-specific arrangements ("CSAs"). See Lacouture/Troy Decl. ¶¶ 268-270. Resellers may resell any of Bell Atlantic's CSAs to any customer that meets the terms and conditions of that particular arrangement, and they may even aggregate traffic from multiple customers to satisfy any volume requirements. See id. ¶ 269. Of course, if a customer elects to terminate its service with Bell Atlantic, whether to switch to a reseller or for some other reason, it may be subject to reasonable and non-discriminatory termination liabilities to the extent they were part of the original terms of the CSA agreed to by the customer. See id. ¶ 270. For example, if a customer terminates a five-year CSA for Centrex after two years, the termination liability will be the difference between what the customer would have paid under a two-year CSA and what the customer actually paid under the five-year CSA. See id. The Commission previously has recognized that these types of reasonable termination liabilities are both permissible and pro-competitive. See South Carolina Order ¶ 222;³⁵ Expanded Interconnection with Local Telephone Company Facilities, Second Memorandum Opinion and Order on Reconsideration, 8 FCC Rcd 7341, ¶ 40 (1993) (concluding that similar termination liability provisions "reasonably balance the interest of both the LECs and their customers.").

³⁵ Application of BellSouth Corporation, et al. Pursuant to Section 271 of the Communications Act of 1934, as amended, To Provide In-Region, InterLATA Services In South Carolina, Memorandum Opinion and Order, 13 FCC Rcd 539, ¶ 222 (1997).

L. Operations Support Systems.

Bell Atlantic provides CLECs with access to the various items on the checklist through industry leading Operations Support Systems that are in place, fully operational, and already handling massive commercial volumes. A couple examples highlight the magnitude of these real-world volumes: Bell Atlantic's ordering systems already handle more than 5,000 transactions per day, and its pre-ordering systems processed more than one million transactions in the first seven months of 1999 alone. See Miller/Jordan Decl. ¶¶ 29, 45. These systems allow MCI to boast that they provide "customer satisfaction through proven OSS functionality," and the systems have been further "proven" through what even AT&T describes as the "objective, stringent and meaningful third-party testing" performed by KPMG.

1. Pre-Ordering.

Bell Atlantic currently provides two electronic pre-ordering interfaces in New York.³⁶ The first is an application-to-application interface based on Electronic Data Interchange, Issue 9 ("EDI-9"). See id. ¶¶ 20-22. The second is a web-based Graphical User Interface ("Web-GUI") that can be used with a personal computer. See id. ¶¶ 20, 23. At present, three CLECs are using the EDI-9 interface, and approximately 100 carriers are using the Web-GUI for pre-ordering. See id. ¶¶ 22, 23.

³⁶These interfaces allow CLECs to obtain the same information from the same underlying OSS as Bell Atlantic's own retail service representatives. See Miller/Jordan Decl. ¶¶ 17-19. The pre-ordering functions that are available through these interfaces include address validation, appointment scheduling, feature and service availability, telephone number reservation and selection, retrieval of Customer Service Records ("CSRs"), accessing loop qualification information, and viewing a customer's directory listing. See id.

Bell Atlantic's pre-ordering interfaces already handle large commercial volumes. For example, during the first seven months of 1999, Bell Atlantic processed more than 1.3 million pre-ordering transactions through these existing interfaces. See id. ¶ 29. The interfaces also have shown that they can handle increasing monthly volumes: In the month of July alone, Bell Atlantic processed more than 200,000 transactions. See id.

This real world experience is backed up by KPMG, which concluded that Bell Atlantic is capable of handling year-end volumes with acceptable response times. See KPMG Report POP5 IV107-108 (Test Cross Reference P5-3). KPMG originally planned to test Bell Atlantic's EDI-9 interface and pre-ordering systems at both "normal" daily volumes (equal to projected year-end volumes) and "peak" daily volumes (equal to 1.5 times year-end volumes). See Miller/Jordan Decl. ¶ 30. KPMG ultimately determined, however, that even the "normal volume" days were "more representative of a peak day," after it factored in the actual production transactions that were processed at the same time. See id.

Even at these higher volumes, the response times reported by KPMG were well within the acceptable range. For example, the response time to retrieve Customer Service Records (CSRs), which account for the vast majority (over 80 percent) of pre-ordering transactions, as well as the response time to obtain a due date, was under three seconds. See Miller/Jordan Decl. ¶¶ 29, 32. The response time for more than 85 percent of pre-ordering transactions was less than 10 seconds. See id. ¶ 32. Though the response times are slightly longer than Bell Atlantic's retail average — which ranges from less than one-half second to more than two seconds — the difference is not competitively significant. See id. ¶ 33. This is especially true given that competing carriers frequently choose not to access CSRs while they are on the phone with a

customer. Instead, they sell their services through telemarketers or other sales representatives, and use the pre-order systems to verify customer information after completing the call. See id.

Moreover, Bell Atlantic already has taken steps to enhance still further its ability to process pre-order transactions. See id. ¶ 32. As a result of these enhancements, the pre-order response times continue to improve over what was experienced even by KPMG. See id.

The pre-ordering systems also are scalable to handle future increases in demand. Indeed, Bell Atlantic satisfied all of the criteria in the scalability review performed by KPMG, scoring 49 out of 49. See id. ¶ 31. As a result, KPMG found that Bell Atlantic's pre-ordering systems have the ability to accommodate significant increases in transaction volumes and users. See id.; KPMG Report POP13 IV300, IV307-314 (Test Cross References P13-1 through P13-49).

Finally, Bell Atlantic's EDI-9 pre-ordering interface — as well as the corresponding ordering interface described below — allows CLECs to integrate pre-ordering and ordering functions in their own systems. See Miller/Jordan Decl. ¶ 22. This fact was confirmed by KPMG, which testified that the integration of pre-ordering functions “could be done in an electronic way.” Minutes of June 10, 1999 Technical Conference at 2679 (App. C, Tab 767). Indeed, at least one CLEC already has developed its own integrated pre-ordering and ordering system. See Miller/Jordan Decl. ¶ 22.

2. Ordering.

Bell Atlantic also provides two main electronic ordering interfaces in New York, both of which can be used for unbundled elements as well as resale. See id. ¶ 35. The first is an application-to-application interface based on EDI, Issue 8 (“EDI-8”). See id. ¶ 36. As noted above, this interface allows competing carriers to integrate ordering and pre-ordering functions in their own systems, and at least one already has done so. See id. The second interface is the same Web-GUI that is available for pre-ordering and can be used with a personal computer. See

id. At present, six competing carriers are using the EDI-8 ordering interface, and more than 100 carriers are using the Web-GUI. See id. ¶ 35.

Bell Atlantic's ordering interfaces are already handling large commercial volumes. On average, these interfaces now process more than 5,000 orders per day. See id. ¶ 45. These transactions include everything from orders to add new lines, to orders to add or change features on a line, to orders to drop lines or features on a line. During the first seven months of 1999 alone, Bell Atlantic successfully processed (through its interfaces) orders for more than 60,000 resale lines, more than 125,000 platform lines, and more than 17,000 stand-alone loops. See id. ¶ 44.

Bell Atlantic's ordering interfaces also provide a full range of functionality. For example, all orders that competing carriers submit electronically through Bell Atlantic's ordering interfaces are automatically checked for errors at various stages in the ordering process. See id. ¶¶ 40-41. Bell Atlantic electronically provides competing carriers with a Local Service Request Confirmation ("LSRC") — sometimes referred to as a Firm Order Confirmation ("FOC") — to inform them that their orders have been received by Bell Atlantic and to confirm the due date for service installation. See id. ¶ 47. Bell Atlantic also sends "rejection notices" to competing carriers electronically whenever orders are rejected. See id. Finally, Bell Atlantic electronically sends "completion notices" to advise competing carriers that the services they ordered have been installed. See id. ¶¶ 50-51.

Bell Atlantic performs these various ordering functions on a timely basis. In the first seven months of 1999, Bell Atlantic bettered the intervals set by the New York PSC for returning confirmation notices (LSRCs), rejection notices, and completion notices. See id. ¶ 49; see also Case 97-C-0139, PSC, Order Adopting Inter-Carrier Service Quality Guidelines, Feb. 16, 1999

(App. E, Tab 61). In fact, on average, order confirmations and rejection notices for both mechanized orders and those that require some manual intervention were returned in substantially less time than the interval established by the PSC. See Miller/Jordan Decl. ¶ 49. Likewise, Bell Atlantic returned more than 99 percent of completion notices within the standard set by the PSC. See id. ¶ 50.

Bell Atlantic's strong real-world performance also is backed up by KPMG. For example, KPMG found that 97 percent of all confirmation notices are returned on time during its normal and peak volume tests, and that 98 percent of error messages were returned on time. See id. ¶ 54; KPMG Report POP5 IV112-114 (Test Cross References P5-9, P5-10, P5-12, P5-13). In addition, KPMG found that 99 percent of completion notices were returned on time. See id. POP5 IV115 (Test Cross Reference P5-15); Miller/Jordan Decl. ¶ 54.

The time to return order confirmations and reject notices for certain types of unbundled element orders has been slightly below the New York PSC's 95 percent on time standard in recent months. See Miller/Jordan Decl. ¶¶ 45, 49. Nonetheless, even as to this subset of orders, Bell Atlantic's overall performance has been strong. During June and July, Bell Atlantic has returned confirmations and rejection notices for these orders on time more than 88 percent of the time. See id. ¶ 49. During August, the number improved further to nearly 94 percent. See id. ¶¶ 45, 49; Dowell/Canny Decl. ¶ 169. And the timeliness of these notices has not affected the ability of CLECs to get what they ordered. As explained above, Bell Atlantic has continued to deliver unbundled elements on time, when CLECs request them.

Finally, Bell Atlantic has lived up to the commitment it made to the PSC to make its systems accept on a "flow-through" basis a large variety of order types, as long as they are properly submitted by the CLECs. As a result of its efforts, an overwhelming majority of the

orders that would flow through on the retail side also are now capable of flowing through when submitted by a CLEC. For example, based on KPMG's test scenarios, 89 percent of resale orders, more than 95 percent of platform orders, and 92 percent of other unbundled element orders are now designed to flow through if they also would flow through in retail. See Miller/Jordan Decl. ¶ 58.

KPMG confirmed that Bell Atlantic lived up to its promise to enhance the flow-through capability of its systems. KPMG tested each of the order types that Bell Atlantic promised to have flow through and found that a properly formatted order of that type did in fact flow through. See id. ¶¶ 38, 61; KPMG Report POP7 IV160-161 (Test Cross-References P7-1 through P7-4). The test was conducted in two stages. First, KPMG performed a functional evaluation to confirm that Bell Atlantic had implemented a flow-through capability for a wide variety of orders. See Miller/Jordan Decl. ¶ 61. It concluded that more than 99 percent of resale and platform orders, and more than 85 percent of loop orders, were in fact capable of flowing through. See id. Second, KPMG ran a test to see how many of the orders that were designed to flow through actually did so at stress volume levels. See id. ¶ 62. For each category, more than 99 percent flowed through. See id.; KPMG Report POP7 IV160-161 (Test Cross References P7-1 through P7-3).

As is true with Bell Atlantic's own orders, some CLEC orders still fall out of the mechanized process for manual handling. See Miller/Jordan Decl. ¶ 59. In some cases, this is because certain types of orders (especially complex ones) have not yet been mechanized. See id. ¶ 39. In other cases, the orders will fall out by design. See id. ¶¶ 41, 59. For example, if a CLEC submits supplements for an order that is still pending (as they frequently do), the order will fall out so that a person can determine whether the order and the supplement conflict and, if

so, which order was really intended. See id. ¶ 59. In still other cases, the orders will fall out because they were filled out and submitted incorrectly by a CLEC. See id. ¶¶ 41, 59.³⁷

In any event, regardless of the reason, the “fall out” to manual processing has not affected Bell Atlantic’s provisioning success; Bell Atlantic consistently fills orders in the time competing carriers request. See id. ¶¶ 55-56. According to KPMG, Bell Atlantic “successfully” processes manual orders. See KPMG Report POP2 IV40 (Test Cross Reference P2-17). In addition, Bell Atlantic has in place an adequate work force to handle current demand, and will continue to ramp up its work forces to the extent necessary to meet future demand. See Miller/Jordan Decl. ¶ 43. In fact, KMPG found that Bell Atlantic’s “ability to scale its gateways, systems and resources” met 100 percent of the test criteria that KPMG had set out. See KPMG Report POP13 IV314; Miller/Jordan Decl. ¶ 43.

3. Provisioning.

There are no separate provisioning interfaces because provisioning is internal to Bell Atlantic once the order has been submitted. See Miller/Jordan Decl. ¶ 63. Indeed, for most orders from CLECs (including all orders for resale, unbundled element platforms, and new loops), the provisioning systems and processes are the same as those Bell Atlantic uses for its own retail orders. See id. ¶ 65. For example, once orders have been entered into the Service Order Processor, they are distributed (and distributed in the same manner) to all the same work

³⁷Of the orders that fall out for manual processing, more than 30 percent on average fall out for this latter reason. See Miller/Jordan Decl. ¶¶ 42, 59. Bell Atlantic is working with competing carriers to reduce the error rate. See id. ¶ 42.

groups and systems within Bell Atlantic to complete the provisioning process as Bell Atlantic's retail orders. See id. ¶¶ 65-66.³⁸

While there is no separate interface, Bell Atlantic nonetheless does provide CLECs with the ability to check the status of an order during the provisioning process through either of the pre-ordering interfaces. See id. ¶¶ 18, 66. In addition, Bell Atlantic electronically posts jeopardy notices twice daily to allow CLECs to determine whether there is a problem on a given order. See id. ¶ 67.

Finally, Bell Atlantic not only delivers service on time (as discussed above) but does so with fewer technical and other problems than Bell Atlantic experiences when it provisions its own services. See id. ¶ 52. From April through August 1999, competing carriers' lines generated "trouble reports" (i.e., a notice that the customer is experiencing some form of trouble on the line) within 30 days of installation on 2.1 percent of resold lines, on 3.9 percent of unbundled loop orders, and on 1.1 percent of unbundled element lines. See id. Bell Atlantic's customers reported trouble on 5 percent of lines. See id.

³⁸The only current exceptions are for orders that require special coordination or expertise. See Miller/Jordan Decl. ¶ 66. For example, hot cuts require special coordination in order to transfer loops in a way that minimizes disruption to the customer, and Bell Atlantic has established a dedicated center to handle this coordination function. See Lacouture/Troy Decl. ¶¶ 69-70. Likewise, with the support of a number of CLECs, in certain areas Bell Atlantic has assigned specially trained technicians to work with CLECs to coordinate delivery of ADSL capable loops. See id. ¶ 82.

4. Maintenance and Repair.

Bell Atlantic also provides two interfaces to obtain access to its maintenance and repair OSS for both resale services and unbundled network elements. See id. ¶ 68. The first of these is the same Web-GUI that is used for pre-ordering and ordering. See id. The second is an application-to-application interface known as the Electronic Interface Format (“EIF”). See id.³⁹

Competing carriers are using these interfaces in commercially significant volumes; Bell Atlantic currently processes more than 40,000 maintenance transactions per month from CLECs. See id. ¶ 74. In addition, the KPMG test demonstrated that Bell Atlantic can handle significantly greater volumes — approximately 500 transactions per hour, or 4,000 transactions in an eight-hour day. See id. And Bell Atlantic’s maintenance and repair interfaces and related systems satisfied all 234 criteria evaluated by KPMG. See id. ¶ 76; KPMG Report Executive Summary II-10.

Moreover, the maintenance and repair interfaces provide competing carriers with access to all the same functions and capabilities that are available to Bell Atlantic’s retail sales representatives. See id. ¶ 68.⁴⁰ In fact, a CLEC using the Web-GUI actually benefits from more automated functionality than is available to Bell Atlantic’s own retail representatives. See

³⁹There currently is no industry standard for an application-to-application interface for maintenance and trouble reporting in local service. See id. ¶ 73. Nonetheless, Bell Atlantic is working with two other carriers to implement “electronic bonding” — a standard used for maintenance and trouble reporting with respect to interstate access services — prior to the completion of industry standards for local service. See id.

⁴⁰These include the ability to perform mechanized loop testing, issue trouble reports, determine the status of a trouble report, modify a trouble report, request cancellation of a trouble report, and request a trouble-report history. See Miller/Jordan Decl. ¶ 68.

id. ¶ 72.⁴¹ Likewise, CLECs perform trouble reporting functions using the Web-GUI in substantially the same time as Bell Atlantic, and they experience the same or lower rate of problems. See id. ¶¶ 74, 76. When CLECs' customers do experience a problem, Bell Atlantic repairs the problem in roughly the same time it takes to repair problems experienced by its own customers. See id. ¶ 76. In fact, virtually all relevant performance data — “Trouble Report Rates,” “Mean Time to Repair,” “Percent Out of Service More Than 24 Hours,” and “Percent Repeat Reports within 30 days” — show performance for competing carriers that is better than that for Bell Atlantic's own retail customers. See id.; Dowell/Canny Decl. Att. D.

5. Billing.

Bell Atlantic uses the same systems to generate billing information for competing carriers that it uses for its own retail operations. See id. ¶ 80. The billing information provided includes both overall usage data and exchange-access usage data. See id. At the competing carrier's option, Bell Atlantic will deliver billing information electronically via the Connect Direct (formerly called the “Network Data Mover” — an electronic interface) or on tape. See id. ¶ 82.

Bell Atlantic currently produces more than 20,000 monthly bills on the Customer Record Information System (used for billing resale services and unbundled loops) and more than 1,000

⁴¹KPMG initially raised two concerns with respect to maintenance and repair both of which have been fully addressed. See Miller/Jordan Decl. ¶¶ 77-79. The first involved situations where the CLEC directs a Bell Atlantic repair technician to the wrong location. See id. ¶ 78. If the technician found no problem at that location, he or she previously closed out the trouble report. See id. In response to KPMG's concerns, Bell Atlantic instituted a new process to open a second trouble report and dispatch a technician to the other end of the line. See id. KPMG then closed the related exception. See id. ¶ 76. The second concern was that competing carriers were unable to enter a trouble ticket using the Web-GUI for a period of 36 to 50 hours after completion of an order. See id. ¶ 79. Bell Atlantic has addressed this concern by implementing a function in its interface that gives CLECs the ability to enter an electronic trouble ticket immediately after completion of a service order — just like a Bell Atlantic representative. See id. KPMG tested the new function and confirmed that it resolves its concerns. See id.

monthly bills on the Carrier Access Billing System (used for billing other unbundled elements). See id. ¶ 84. It also produces more than 60 million call records per month on average. See id. Moreover, Bell Atlantic delivers these bills and usage data on time. In the first seven months of 1999, Bell Atlantic provided more than 98 percent of customer-usage data to competing carriers within four business days, and more than 99.5 percent of wholesale bills within ten business days — both well above the standard established by the PSC. See id. ¶ 85. Finally, Bell Atlantic satisfied all 287 billing criteria tested by KPMG. See id. ¶ 86; KPMG Report Executive Summary II-10.⁴²

6. Technical Support and Change Management.

Bell Atlantic provides CLECs with extensive documentation and technical support to help them use Bell Atlantic's existing OSS interfaces effectively. See Miller/Jordan Decl. ¶¶ 87-93. In addition, a comprehensive Change Management Process is in place to ensure that future releases do not adversely affect competitors. See id. ¶¶ 94-102.

First, with respect to existing interfaces, Bell Atlantic provides extensive documentation, training, and assistance to CLECs. See id. ¶ 87. As part of the third-party test in New York, Hewlett Packard Consulting — a non-telecommunications provider — was able to use the documentation provided by Bell Atlantic to construct the interface used during the test to submit transactions to Bell Atlantic. See id. ¶ 90. In addition, Hewlett Packard Consulting made a number of suggestions for improving the documentation to make it more useful to CLECs. See id. Bell Atlantic incorporated these suggestions into the documentation available to CLECs. See

⁴²KPMG initially noted certain exceptions with respect to billing, but it subsequently reported that Bell Atlantic “took corrective actions to satisfy the test criteria that relate to these exceptions,” including system changes, changes to methods and procedures, additional documentation, and improved training. KPMG Report Executive Summary II-10.

id. In fact, Hewlett Packard Consulting specifically noted Bell Atlantic's "tremendous strides in improving their documentation and the document process." HPC Final Report, § 1.4 at 3 (Apr. 20, 1999) (App. C, Tab 654).

Second, as part of a collaborative process conducted under the New York PSC's auspices, Bell Atlantic (together with several competing carriers) has developed a detailed process for managing changes to Bell Atlantic's systems and interfaces that affect competing carriers. See Miller/Jordan Decl. ¶ 94. When Bell Atlantic implements a new software release to update its systems and add new functionality, Bell Atlantic first drafts detailed specifications describing the changes involved. See id. ¶ 98. These draft specifications are sent to competing carriers, which then have the opportunity to comment on them. See id. Once the specifications are finalized and implemented, CLECs also have an opportunity to test the changes and identify any problems so that they can be resolved before the new software is made available for production transactions. See id. ¶ 99.

Third, in order to allow CLECs to test the interaction of their systems and interfaces with Bell Atlantic's, Bell Atlantic offers comprehensive test procedures and first-in-the-nation test environments that are separate from the live production process. See id. ¶¶ 103-109. These test environments and procedures will serve both to allow new entrants to test their systems with Bell Atlantic and to allow current competitors to test new versions of software before they are placed in production. See id. ¶ 103. Moreover, these test environments and procedures already have been proven to work, including with the recent August release of software changes. See id. ¶ 109.

III. BELL ATLANTIC IS FULLY IN COMPLIANCE WITH THE REQUIREMENTS OF SECTION 272.

As required by the Act, all services that are subject to the requirements of section 272 will be provided through one or more separate affiliates that comply fully with the requirements of that section and the Commission's rules (collectively, the "272 Affiliates").⁴³ In fact, the "policies, procedures, training and controls to ensure compliance with section 272's requirements" already in place are far more comprehensive than those of BellSouth that the Commission previously applauded. Second Louisiana Order ¶ 322. And specific measures to address BellSouth's few deficiencies have been implemented.

A. Bell Atlantic's Separate Affiliates Comply Fully With the Structural and Transactional Requirements of Section 272(b).

Bell Atlantic's 272 Affiliates will be operated as independent carriers and will conduct business with Bell Atlantic (and all of its other local Bell operating company affiliates) on an arm's-length basis. Accordingly, the 272 Affiliates comply with the five requirements of section 272(b):

First, the 272 Affiliates do not own *any* domestic transmission or switching facilities — or the land and buildings where they are located — jointly with Bell Atlantic. See Browning Decl. ¶ 8b; Verge Decl. ¶ 10; Breen Decl. ¶ 13.⁴⁴ Likewise, the 272 Affiliates have not and will

⁴³As required by the Act, the services that will be provided through separate 272 Affiliates include any manufacturing activities under section 272(a)(2)(A), any interLATA services originating in New York that are covered by section 272(a)(2)(B), and any interLATA information services covered by section 272(a)(2)(C). Under section 271(j), private line and 800 services receive unique treatment for these purposes: any such services that terminate in New York are deemed to originate there, while such services that originate in New York are deemed to terminate there. As a result, these types of services are subject to the requirements of sections 271 and 272 on the terminating (rather than the originating) end.

⁴⁴One of the 272 Affiliates currently *leases* building floor space from Bell Atlantic or its affiliated local telephone operating companies in 22 locations. See Verge Decl. ¶ 15. But section 272 and the implementing rules permit a section 272 affiliate to lease real estate from the

not engage in any operation, installation, or maintenance services with respect to facilities owned by Bell Atlantic. See Verge Decl. ¶ 13; Browning Decl. ¶ 8c. Finally, the 272 Affiliates will operate, install, and maintain their own network, either directly or by contracting with third parties that are not affiliated with Bell Atlantic. See Verge Decl. ¶ 10.

Second, the 272 Affiliates maintain separate books, records, and accounts in accordance with Generally Accepted Accounting Principles (GAAP). See 47 U.S.C. § 272(b)(2); Breen Decl. ¶ 6; Browning Decl. ¶ 9; Verge Decl. ¶ 6.⁴⁵

Third, the 272 Affiliates have separate officers, directors, and employees. None of these officers, directors, or employees is shared with Bell Atlantic. See Breen Decl. ¶ 5; Browning Decl. ¶ 10; Verge Decl. ¶ 5.

Fourth, the 272 Affiliates will not obtain credit under any arrangement that would permit a creditor to have recourse to the assets of Bell Atlantic. For funding, the 272 Affiliates rely on loans from Bell Atlantic Financial Services Inc., a wholly owned subsidiary of Bell Atlantic Corporation. See Breen Decl. ¶¶ 7-8; Browning Decl. ¶ 11; Verge Decl. ¶ 7. Bell Atlantic has not co-signed or otherwise provided recourse for these loans. See Breen Decl. ¶ 7; Browning Decl. ¶ 11; Verge Decl. ¶ 7.

BOC with which it is affiliated. See Implementation of the Non-Accounting Safeguards of Sections 271 and 272 of the Communications Act of 1934, as amended, First Report and Order and Further Notice of Proposed Rulemaking, 11 FCC Rcd 21905, ¶ 164 (1996) (“Non-Accounting Safeguards Order”). Moreover, these leased spaces are not located in a Bell Atlantic central office. See Verge Decl. ¶ 15.

⁴⁵This also meets the requirements of section 272(c)(2). See Implementation of the Telecommunications Act of 1996: Accounting Safeguards Under the Telecommunications Act of 1996, Report and Order, 11 FCC Rcd 17539, ¶ 170 (1996). Certain accounting and record-keeping services for each of Bell Atlantic’s 272 Affiliates will be performed by other affiliated centralized services companies that are not separated under Section 272. See Browning Decl. ¶ 13. The Commission has made clear, however, that such shared-service arrangements are permitted. See Non-Accounting Safeguards Order ¶¶ 168, 178-186.

Finally, the 272 Affiliates will conduct all transactions with Bell Atlantic on an arm's-length basis, in accordance with this Commission's accounting rules, and will reduce all transactions to writing and make them available for public inspection. See Browning Decl. ¶ 12; Verge Decl. ¶ 14; Breen Decl. ¶ 14. In fact, procedures already are in place to ensure that all transactions comply with the Commission's affiliate-transaction rules; that they are reduced to writing, certified by an officer, and made available for public inspection at Bell Atlantic's headquarters; and that they are recorded at rates that comply with the Commission's rules. See Browning Decl. ¶ 12. In addition, a detailed description of the transaction will be made available on the relevant 272 Affiliate's web site within ten days of the transaction and will remain there for at least one year after the transaction has concluded. See id.; Verge Decl. ¶ 18; Breen Decl. ¶ 16. And, in contrast to the circumstances presented by BellSouth's application, all transactions since the passage of the 1996 Act already have been publicly posted. See Browning Decl. ¶ 29 & Att. L.

B. Bell Atlantic Will Comply with the Non-Discrimination Safeguards of Section 272(c).

As required by section 272(c)(1), Bell Atlantic will provide unaffiliated entities with non-discriminatory access to any goods, services, facilities, and information that it provides to its 272 Affiliates and will not discriminate in the establishment of standards. See id. ¶ 16.

As an initial matter, Bell Atlantic does not and will not discriminate in the *provision* of information, including, but not limited to, information relating to local-exchange, exchange-access, and network-related matters. See id. ¶ 16f-p. Specifically, Bell Atlantic does not and will not discriminate in the dissemination of technical information or interconnection standards related to access services. See id. ¶ 16f. And Bell Atlantic will continue to provide appropriate public notice regarding any network change that will affect another telecommunications carrier's

performance or ability to provide service (or the manner in which CPE is attached to the network). See id. ¶ 16m.

In addition, Bell Atlantic will not discriminate in favor of its affiliates with respect to the *procurement* of goods, services, facilities, and information. On the contrary, Bell Atlantic already follows a policy under which it procures all goods, services, facilities, and information on an arm's-length, non-discriminatory basis, and it selects suppliers based on total cost, quality, and service. See id. ¶¶ 16b-d, 16q, 28.

Finally, Bell Atlantic has adopted internal procedures to ensure that officers and employees of Bell Atlantic implement and enforce these policies, and it will account for all transactions with its 272 Affiliates in accordance with the Commission's cost-allocation and affiliate-transaction rules. See id. ¶¶ 22, 32.

C. Bell Atlantic Will Comply with the Audit Requirements of Section 272(d).

Bell Atlantic will obtain and pay for an independent auditor to conduct a joint Federal/State audit every two years in accordance with section 272(d) and the Commission's rules. See id. ¶ 27. In particular, Bell Atlantic will require the independent auditor to provide the joint audit team with access to working papers and materials relating to this audit. See id. And Bell Atlantic and its 272 Affiliates will provide the independent auditor and the joint audit team with access to financial records and other supporting material necessary to verify compliance with section 272 and the regulations issued thereunder. See id.

D. Bell Atlantic Will Fulfill All Requests in Accordance with Section 272(e).

As required by section 272(e), Bell Atlantic will not discriminate in favor of its 272 Affiliates with respect to requests for exchange and exchange-access services.

First, Bell Atlantic's response time for requests for telephone exchange service and exchange access from unaffiliated entities will be no longer than its response times with respect

to itself or its affiliates. See Browning Decl. ¶ 17d; see also 47 U.S.C. § 272(e)(1); Non-Accounting Safeguards Order ¶ 240. Bell Atlantic's tariffs already contain schedules that specify the expected response time for fulfilling switched and special access service requests, and Bell Atlantic will provide unaffiliated entities with information regarding the service intervals in which Bell Atlantic provides service to its affiliates. See Browning Decl. ¶ 17e.

Second, Bell Atlantic will provide facilities, services, and information "concerning its provision of exchange access" on a non-discriminatory basis. See 47 U.S.C. § 272(e)(2); Browning Decl. ¶ 17a. For example, Bell Atlantic's access tariffs already incorporate or reference the technical standards that Bell Atlantic uses, and Bell Atlantic provides network information and public notice in accordance with the Commission's network disclosure rules. See also supra, pp. 51-52 (describing measures that are in place to comply with the overlapping requirements of section 271(c)(1)).

Third, Bell Atlantic will provide local exchange and exchange-access services to its 272 Affiliates at rates, terms, and conditions that comply with the FCC's rules. See 47 U.S.C. § 272(e)(3); Browning Decl. ¶ 19. In particular, Bell Atlantic will not charge its 272 Affiliates or impute to itself an amount for local exchange and exchange access services or unbundled elements that is less than the amount charged to any unaffiliated carrier for such services. See Browning Decl. ¶ 19.

Finally, to the extent that Bell Atlantic provides interLATA or intraLATA facilities or services to its 272 Affiliates, they will be provided "at the same rates and on the same terms and conditions" (47 U.S.C. § 272(e)(4)) as are made available to all carriers. See Browning Decl. ¶ 20.